Jane Doe v. MySpace, Inc. et al

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# **EXHIBIT D**

SUPREME COURT OF THE STATE OF NEW YORK COUNTY OF BRONX	
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JANE DOE, Individually, and, As Next of Friend of JULIE DOE, a Minor.	: : : : : : : : : : : : : : : : : : : :
Plaintiffs,	: <u>VERIFIED COMPLAINT</u>
v.	: Index No
MYSPACE, INCORPORATED. and	:
NEWS CORPORATION.	:
Defendants.	:
***************************************	: x

Plaintiffs, Jane Doe, individually, and as next of friend of Julie Doe, a minor ("Plaintiffs"), seek damages against Defendants MySpace Incorporated ("Myspace") and News Corporation ("News Corp.") for negligence, gross negligence, fraud and negligent misrepresentation — Defendants MySpace and News Corp. are jointly and severely liable for all of Plaintiffs' causes of action. Plaintiffs would respectfully show the Court as follows:

### The Parties

- 1. Plaintiff, Julie Doe, is a 14-year-old minor who resides in Texas.
- 2. Plaintiff, Jane Doe, is the parent and legal guardian of Julie Doe and resides Texas.

- 3. Defendant, MySpace Incorporated, is a Delaware Corporation and a wholly-owned subsidiary of Defendant News Corp. MySpace is authorized to conduct and transact business in the State of New York, and does in fact regularly conduct and transact business in the State of New York. Myspace's decisions and/or lack of decisions in New York have caused the underlying events in this lawsuit.
- 4. Defendant, News Corporation, is a Delaware Corporation with its headquarters and principal place of business in New York, New York. News Corp. is authorized to conduct and transact business in the State of New York, and does in fact conduct and transact business in the State of New York. News Corp.'s decisions and/or lack of decisions in New York have caused the underlying events in this lawsuit.
- 5. Venue in this Court is proper as News Corp. is headquartered and its principal place of business is in New York, New York.

#### **Facts**

#### An Overview of MySpace

6. MySpace.com ("Myspace") is a social networking internet website where children and adults of all ages are encouraged to sign up and socialize in cyberspace. Founded in July 2003 by Tom Anderson and Chris DeWolfe, MySpace quickly exploded in popularity and became an online force to be reckoned with. In less than two years, MySpace has amassed more than 100 million registered users worldwide. As of July 11, 2006, Myspace is the world's most visited domain on the internet for internet users located in the United States.<sup>1</sup>

Bill Tancer, Myspace Moves to #1 Position for all Internet Sites, Hitwise Intelligence Analyst Blogs, July 11, 2006 at <a href="http://weblogs.hitwise.com/bill-tancer/2006/07/myspace">http://weblogs.hitwise.com/bill-tancer/2006/07/myspace</a> moves into 1 position.html.

- 7. In an attempt to capitalize on this success, Tom Anderson and Chris DeWolfe sold MySpace and its parent company, Intermix Media, Inc., to News Corp. for an estimated \$649 million. News Corp. is a worldwide media conglomerate with approximately \$55 billion in total assets and approximately \$24 billion per year in annual revenues.
- 8. To access the social network, one must create a MySpace account. In order to create a MySpace account, all one has to do is enter a name, email address, gender, country, and date of birth. None of this information has to be true. MySpace does not have any verification mechanism in place to authenticate a new user's age or identification information. MySpace represents that a user must be at least 14 years of age to join of course, this is not subject to any form of authentication. Thus, MySpace does not have any verification mechanism to ensure its users are of the age they claim to be, effectively providing a complete blanket of anonymity.
- 9. Once signed up, each MySpace user is given his or her own personal webpage to create. MySpace users are then prompted to post photographs and personal information on their webpage. Typically, a MySpace user's webpage is viewable by any other MySpace user. Further, any MySpace user can contact any other MySpace user through internal email and/or instant messaging on MySpace. Myspace users of all ages are then encouraged to begin socializing with other Myspace users.
- 10. MySpace currently has more than 100 million registered users online. It is also estimated that MySpace has over thirty (30) billion page views per

month.<sup>2</sup> Ross Levinsohn, Senior Vice President and General Manager of Fox Interactive Media (a wholly-owned subsidiary of News Corp.), says that not even the internet giant Google.com believes it can provide enough advertisements to fill all the pages that MySpace displays each day.<sup>3</sup>

- 11. The catalyst behind MySpace's amazing surge in popularity is their underage users demographic. According to MySpace, approximately 22 percent of MySpace visitors are minors, under the age of 18.<sup>4</sup> MySpace actively and passively markets itself to minors.
- Officer, is well aware that MySpace's continued success is directly tied into the website's appeal among young people, and the advertising revenue MySpace can generate. News Corp., the parent company that wholly-owns Myspace, is adamant that MySpace CEO Chris DeWolfe find a way to make much more money from MySpace. MySpace is projected to generate around \$200 million dollars in revenue this year, and has the potential to generate much more revenue as MySpace's popularity with the young

<sup>&</sup>lt;sup>2</sup> Michael Arrington, *The 27.4 Billion Pound Gorilla*, TechCrunch, June 13, 2006, at http://www.techcrunch.com/2006/06/13/MySpace-the-27-billion-pound-gorilla.

<sup>&</sup>lt;sup>3</sup> Saul Hansell, For MySpace, Making Friends Was Easy. Big Profit is Tougher., The New York Times, April 23, 2006.

<sup>&</sup>lt;sup>4</sup> Julia Angwin and Brian Steinberg, News Corp. Goal: Make MySpace Safer For Teens, The Wall Street Journal, February 17, 2006.

<sup>&</sup>lt;sup>5</sup> Saul Hansell, For MySpace, Making Friends Was Easy. Big Profit is Tougher., The New York Times, April 23, 2006.

<sup>6</sup> Id.

teenagers continues to grow.<sup>7</sup> News Corp. ultimately controls the short and long term business decisions associated with Myspace.

13. The News Corp. CEO is equally aware of the dangers MySpace poses to underage minors using MySpace. In his February 13, 2006 interview with Newsweek Magazine, when asked about claims by law enforcement that sexual predators are trolling Myspace in search of young victims, Mr. Murdoch stated,

"We're being very proactive. We plan to reach out further to schools, principals, church groups and community organizations to educate them on the safety measures we've developed. For example, no one under 14 is allowed on the site, and there are strict limits on who can access profiles of users under 16..."

While attempting to expand MySpace's success and popularity with underage minors, he has been increasingly confronted by state Attorneys General across the United States and the public at large about the dangers Myspace poses to its underage users. Yet, Myspace has made no real effort to meaningfully increase the safety and security of their most important asset – young underage Myspace users. Sadly, Mr. Murdoch's initial strategy "seems to be to do nothing to interfere with whatever alchemy has attracted so many young people to MySpace in the first place."

14. MySpace proudly represents to parents and the public at large that teenagers under the age of 14 are not allowed to join MySpace. MySpace represents that the website has protections in place so that MySpace users ages 14 and 15 cannot be contacted by adult MySpace users. MySpace has publicly represented that the website is

<sup>&</sup>lt;sup>7</sup> Id.

<sup>&</sup>lt;sup>8</sup> Len Irish, Murdoch's New Groove, Newsweek, February 13, 2006.

<sup>&</sup>lt;sup>9</sup> Saul Hansell, For MySpace, Making Friends Was Easy. Big Profit is Tougher., The New York Times, April 23, 2006.

safe for its young underage users and that MySpace is doing everything to ensure it has adequate security measures in place to protect its young underage users.<sup>10</sup>

15. Despite MySpace's claims that Myspace is safe for young underage users, the facts suggest otherwise.

### **Adult Sexual Predators on MySpace**

- 16. In the past year, a disturbing number of incidents have occurred nationwide in which adult MySpace users contacted young underage MySpace users on MySpace. The adult MySpace users then arranged to meet the minors and, often, sexually assaulted them. The following is a brief, non-exhaustive list, of a few of the criminal incidents that have resulted from adult MySpace users contacting young underage MySpace users on MySpace:
  - a. On December 29, 2005, John David Payne of Brenham, Texas, was arrested for soliciting sex from young underage MySpace users. Mr. Payne thought he was chatting with young underage MySpace users on MySpace but, in reality, they were actually undercover investigators. On or about May 10, 2006, Mr. Payne was again arrested for soliciting sex on MySpace from young underage MySpace users. <sup>11</sup>
  - b. On March 2, 2006, Federal prosecutors charged Sonny Szeto, 22, of New York, for using MySpace to meet an 11-year-old girl. 12

<sup>&</sup>lt;sup>10</sup> Julia Angwin and Brian Steinberg, News Corp. Goal: Make MySpace Safer For Teens, The Wall Street Journal, February 17, 2006.

<sup>&</sup>lt;sup>11</sup> John Mortiz, Attorney General Wants Web MySpace to Protect Young Users, Fort Worth Star-Telegram, May 23, 2006.

<sup>&</sup>lt;sup>12</sup> MySpace.com to Bolster Security Measures, Reuters Limited, March 3, 2006.

- c. On March 2, 2006, Federal prosecutors charged Stephen Letavec, 39, of Pennsylvania, for using MySpace to meet a 14-year-old girl. 13
- d. On May 1, 2006, Aaron Whitney, 27, of Chaplin, Connecticut, was charged with sexually assaulting a 13-year-old girl he met on MySpace. 14
- e. On May 6, 2006, Jesse Cahn, 22, of Stevens Point, Wisconsin, was charged with six counts of sexually assaulting a 14-year-old girl he met on MySpace. 15
- f. On May 12, 2006, Juan Gomez, 34, of Mount Vernon, New York, was charged with the felony of attempted dissemination of indecent material to a minor. Mr. Gomez contacted a 14-year-old girl on MySpace and engaged her in sexually explicit conversations. He was arrested when he attempted to meet the 14-year-old girl. <sup>16</sup>
- g. On May 15, 2006, Matthew R. Gale, 26, of Macomb, Illinois, was charged with six counts of aggravated sexual abuse and four counts of criminal sexual assault of a 16-year-old girl he contacted on MySpace.<sup>17</sup>
- h. On May 22, 2006, a cyber crimes sting set up by the Texas Attorney General's Office netted the arrests of three adult men attempting to solicit sex from young underage MySpace users on MySpace.<sup>18</sup>

<sup>&</sup>lt;sup>13</sup> *Id*.

<sup>&</sup>lt;sup>14</sup> Chaplin Man Arrested; Allegedly Met Girl, 13, on MySpace.com, Norwich Bulletin, May 2, 2006.

<sup>&</sup>lt;sup>15</sup> News Channel 7, Wausau, Wisconsin, at <a href="http://www.wsaw.com/home/headlines/2815471.html">http://www.wsaw.com/home/headlines/2815471.html</a>.

<sup>&</sup>lt;sup>16</sup> Ex-Teacher's Aide Caught in Pedophile Sting Operation, North Country Gazette, May 12, 2006.

<sup>&</sup>lt;sup>17</sup> Stacey Creasy, Police Dig into Suspect's Past, Daily Review Atlas, May 15, 2006.

- i. On May 29, 2006, prosecutors in Cleveland, Ohio, charged two adult men, Albert Azolino, 21, and Timothy Norman, 33, with sexually assaulting a 14-year-old girl they contacted on MySpace.<sup>19</sup>
- j. On or about June 6, 2006, John Wentworth, 27, of Morris, Illinois, was charged with indecent solicitation of a child, attempted criminal sexual assault and aggravated criminal sexual abuse when he attempted to meet and sexually assault a 14-year-old girl he contacted on MySpace.<sup>20</sup>
- k. On or about June 7, 2006, three Connecticut adult men were charged with numerous counts of sexual assault and risk of injury to a child for incidents involving two underage MySpace users they met on MySpace. Both girls were under the age of 16.<sup>21</sup>
- 1. On or about June 10, 2006, Shaun Roethlisberger, 21, of Duluth, Minnesota, was charged with two counts of third-degree criminal sexual conduct for having sexual intercourse with a 14-year-old girl he met on MySpace.<sup>22</sup>
- m. On or about June 12, 2006, Jay Coffield, 44, of Naperville, Illinois, was arrested for soliciting sex from a 14-year-old girl he met on MySpace.<sup>23</sup>

### Attorney Generals' Responses

<sup>&</sup>lt;sup>18</sup> News Channel 11, Houston, Texas at <a href="http://www.khou.com/news/local/stories/khou060522">http://www.khou.com/news/local/stories/khou060522</a> ac cybercrimessting.f9e1e54.html.

<sup>&</sup>lt;sup>19</sup> News Channel 3, Cleveland, Ohio at <a href="http://www.wkyc.com/news/watercooler\_watercooler\_article.aspx?storyid=53044">http://www.wkyc.com/news/watercooler\_watercooler\_article.aspx?storyid=53044</a>.

<sup>&</sup>lt;sup>20</sup> Jo Ann Hustis, Man Charged with Solicitation, Morris Daily Herald, June 12, 2006.

<sup>&</sup>lt;sup>21</sup> Tom Kasprzak, 5 Connecticut Males Charged in Net Sex Case Connected to Stonington Girls, The Westerly Sun, June 7, 2006.

<sup>&</sup>lt;sup>22</sup> Mark Stodghill, Sex Offender Arrested, Duluth News Tribune, June 10, 2006.

<sup>&</sup>lt;sup>23</sup> Police Say Man Arranged Sex with Girl, 14, on MySpace.com, Chicago Tribune, June 11, 2006.

- attention and concern from the public. As a result of these incidents, several state Attorneys General opened investigations into MySpace's lax security policies. They all concluded that despite MySpace's express representations to the public, MySpace has no meaningful security measures or policies in place to protect young underage MySpace users.
- 18. On February 2, 2006, Connecticut Attorney Richard Blumenthal opened a formal investigation into MySpace. On March 20, 2006, Attorney General Blumenthal sent MySpace, through their attorneys, a formal letter requesting, among other things, that MySpace: (1) raise the minimum age for a MySpace user from 14 to 16; and (2) require MySpace users to log in and verify their age before viewing profiles. See attached, Exhibit A, fully incorporated herein by reference.
- MySpace Chief Executive Officer Chris DeWolfe a formal letter detailing that Ohio children were in danger due to the lax operating policies of MySpace and, among other things, urged MySpace to: (1) increase the minimum user age from 14 to 16; (2) prohibit adult users from accessing the profiles of young underage MySpace users; and (3) require that all new users enter a verifiable credit card number during the registration process. See attached, Exhibit B, fully incorporated herein by reference.
- 20. Additionally, in March 2006, representatives for Massachusetts Attorney General Tom Reilly met with MySpace representatives to discuss their concerns about MySpace. Attorney General Reilly's office concluded that although MySpace maintains that only members under the age of 18 can view the profiles of members aged

14 to 15 years-old, their investigation revealed that MySpace does not have any system in place to verify its members' ages. Thus, nothing is preventing adult Myspace users from contacting young underage Myspace users.

- On or about May 2, 2006, Attorney General Reilly sent a formal 21. letter to MySpace company officials demanding that MySpace increase its minimum user age from 14 to 18 and institute an age and identify verification system. See attached, **Exhibit C**, fully incorporated herein by reference.
- On May 22, 2006, Texas Attorney General Greg Abbott sent 22. MySpace CEO Chris DeWolfe a notice letter expressing similar concerns. In it, Attorney General Abbott informed MySpace that:

"By not requiring bank account information or a credit card in order to access your services, you have no way of authenticating the identify or age of your users, thereby providing a blanket of anonymity to those who wish to engage in criminal activity on your website. Although I understand you currently use an age verification system, our investigators have found it uncomfortably easy in a relatively short period of time to locate many underage profiles on your MySpace. A system of identity/age verification via credit card or a verified email account would be a better system than the current methods used by your web MySpace." (emphasis added)

See attached, Exhibit D, fully incorporated herein by reference.

### MySpace's Response

23. In light of these numerous incidents, pressure from Attorneys General around the United States, and a growing media interest, MySpace representatives went on the defensive and issued numerous public statements emphasizing the safety of In February 2006, MySpace MySpace for young underage MySpace users. representatives told CBS News that:

"There are a number of specific procedures and policies in place to ensure users of all ages have a safe and meaningful experience. These include limiting use of the website to users who are at least 14 years of age and providing special protections to users who are under 16 so that their personal information cannot be accessed by persons they do not know."

Even Myspace's parent company, News Corp., came out publicly with a statement from its CEO, Rupert Murdoch, stating:

"We're being very proactive. We plan to reach out further to schools, principals, church groups and community organizations to educate them on the safety measures we've developed. For example, no one under 14 is allowed on the site, and there are strict limits on who can access profiles of users under 16..."

- 24. As of June 19, 2006, MySpace also expressly represents these policies in the "Terms and Conditions" section on MySpace. MySpace claims that it is "illegal" or "prohibited" to "solicit personal information from anyone under 18." MySpace also has a section entitled "Tips for Parents" where they state "MySpace members must be 14 years of age or older."
- 25. Notwithstanding MySpace's express representations to the contrary, problems of young underage MySpace users being contacted and sexually assaulted by adult Mypsace users continue to plague MySpace. In further attempts to appease the public, in late April 2006, MySpace CEO Chris DeWolfe unveiled and widely-publicized a three-prong strategy to address growing safety concerns. The strategy included:
  - (1) Putting in security technology, such as tools that allow children aged 14-16 years-old to shield their personal information from strangers;

<sup>&</sup>lt;sup>24</sup> MySpace.com Responds to Web Risks, CBS News, February 6, 2006 (emphasis added).

<sup>&</sup>lt;sup>25</sup> Len Irish, Murdoch's New Groove, Newsweek, February 13, 2006.

- (2) Increasing manpower to review photos and images uploaded by MySpace users; and
- (3) Hiring Hemanshu Nigam (a former Federal Prosecutor, and so-called "Safety Czar") to head-up MySpace security.<sup>26</sup>
- 26. Unfortunately, MySpace's widely-publicized security strategy was simply public showmanship and a veiled attempt to appease the growing public outcry over their security concerns. MySpace knew that these measures did nothing to meaningfully increase the safety of young underage MySpace users. Yet, MySpace advertised it to the public as a substantial increase in the security of MySpace for young underage MySpace users. Tragically, by failing to properly address these concerns and institute meaningful security measures for young underage MySpace users, 14-year-old Julie was sexually assaulted by an adult MySpace user who found her on MySpace.

### The Sexual Assault of 14-Year-Old Julie Doe

- 27. In the summer of 2005, 14-year-old Julie created a profile on MySpace. At the time, Julie was only 13-years-old. Despite MySpace's supposed safety precautions and protections prohibiting anyone under 14-years-old from using MySpace, Julie was easily able to create a profile. Julie did not regularly begin using MySpace until approximately February 2006.
- 28. On April 6, 2006, in complete contradiction to Myspace's and News Corp.'s direct and indirect representations to the contrary, a 19-year-old adult Myspace user (and a complete stranger) initiated contact with 14-year-old Julie via

<sup>&</sup>lt;sup>26</sup> Jesse Hempel, From MySpace to Safer Place?, BusinessWeek, April 11, 2006.

MySpace and began his attempts to be friend her. Thus began a series of communications initiated by the 19-year-old adult Myspace user via Myspace.

- 29. On May 12, 2006, the 19-year-old adult Myspace user lured 14-year-old Julie out and sexually assaulted her.
- 30. On May 13, 2006, Jane Doe called the Austin Police Department to report the sexual assault of her minor daughter, 14-year-old Julie.
- 31. A detective from the Child Abuse Investigations Unit of the Austin Police Department conducted an investigation. In a videotaped confession, the 19-year-old adult Myspace user admitted to initiating contact with 14-year-old Julie on MySpace, soliciting her personal information, gaining her trust, and then sexually assaulting her. The 19-year-old adult Myspace user was then arrested by the Austin Police Department and indicted by the Travis County District Attorney's Office for Sexual Assault, a 2<sup>nd</sup> Degree Felony.

#### **CAUSES OF ACTION**

- 32. MySpace actively and passively encourages young underage age children to join MySpace, and then directs them to communicate and socialize with complete strangers.
- 33. It is undisputed that MySpace's recent surge in popularity is driven by the onslaught of young underage users joining and using MySpace. To that end, MySpace has a very strong financial incentive to ensure that MySpace's popularity with young underage children remains intact, and continues to increase. MySpace has no financial incentive to institute any meaningful security measures to increase the safety of

young underage MySpace users. In fact, MySpace's interest is to ensure that access to MySpace by young underage children remains effortless and unfettered.

- 34. Despite MySpace's knowledge of the increasing occurrences of sexual assaults on young underage MySpace users by adult MySpace users, and despite MySpace's express representations to the contrary, there are absolutely no meaningful protections or security measures to protect young underage users from being contacted by adult sexual predators on Myspace.
- 35. MySpace's numerous representations to the public of "extra precautions" and "special protections" in place that "ensure users of all ages have a safe and meaningful experience" are false and dishonest. Attorney Generals' Offices across the United States have made it abundantly clear that Defendants' representations lack any substance.
- 36. Despite all the warnings, the numerous incidents of sexual assaults on young underage MySpace users by adult MySpace users, and their widely-publicized claims of safety to the public, MySpace has still not instituted any meaningful changes or additional security measures to effectively increase the safety of their young underage users.

## FIRST CLAIM FOR RELIEF

## -Defendants Myspace and News Corp. were negligent-

- 37. Plaintiffs repeat and reallege the allegations contained in paragraphs "1" through "36" above as if set forth at length herein.
- 38. Defendants constructed a website that allows people of any age to join and indiscriminately communicate with each other. Defendants actively encourage

young underage children and adults to join Myspace and socialize with complete strangers.

- 39. Defendants expressly and implicitly represented that their website was safe for young underage users, but Defendants had actual and constructive knowledge that they had no meaningful security measures or policies in place to effectively safeguard young underage Myspace users from being contacted by dangerous adult MySpace users.
- 40. Furthermore, Defendants had actual and constructive knowledge of numerous sexual assaults and attempted sexual assaults of young underage MySpace users by adult MySpace users who used MySpace to initiate contact with them and draw them out.
- 41. Defendants owed a legal duty to 14-year-old Julie to institute and enforce appropriate security measures and policies that would substantially decrease the likelihood of danger and harm that MySpace posed to her. This is especially true given that Julie is a minor that lacks the capacity to discern friends from predators posing as friends.
- 42. Defendants breached their duty by publicly touting the effectiveness of their security measures and policies they knew or should have known were utterly ineffective in deterring the likelihood of danger and harm to 14-year-old Julie. Defendants also breached their duty by failing to act to substantially decrease the likelihood of danger and harm to 14-year-old Julie upon gaining actual and constructive knowledge of the danger and harm. Defendants' representations gave the sense of security when no security exists.

- 43. Defendants' breach of their duty proximately caused the sexual assault of 14-year-old Julie. The physical, psychological and emotional trauma 14-year-old Julie endured is indescribable and permanent. Defendants are the proximate cause of 14-year-old Julie's injuries.
  - 44. Plaintiffs seek actual and exemplary damages against Defendants.
- 45. MySpace and News Corp. are jointly and severely liable for these damages.

## SECOND CLAIM FOR RELIEF

# -Defendants Myspace and News Corp.'s acts constitute gross negligence-

- 46. Plaintiffs repeat and reallege the allegations contained in paragraphs "1" through "45" above as if set forth at length herein.
- 47. Defendants has knowingly and purposely ignored the health and safety of young Myspace users in exchange for ensuring open access to Myspace thereby fueling its growth among minors.
- 48. Defendants' actions, along with their omissions to act, when viewed objectively from their own standpoint, during the timeframe discussed *supra*, involved an extreme degree of risk and callousness. Particularly in light of:
  - (1) Defendants' actual knowledge, awareness, and conscious indifference of the extreme dangers MySpace posed to young underage MySpace users;
  - (2) Defendants' actual knowledge, awareness, and conscious indifference that adult MySpace users were able to contact and were regularly contacting young underage MySpace users, obtaining their personal information, and sometimes sexually assaulting them;

- (3) Defendants' actual knowledge, awareness, and conscious indifference to the warnings given them by Attorneys General' Offices around the United States;
- (4) Defendants' actual knowledge, awareness, and conscious indifference to the misrepresentations they made to Plaintiffs and the public at large regarding the safety and security of MySpace for young underage MySpace users; and
- (5) Defendants' actual knowledge, awareness, and conscious indifference to not institute even the most minimal and inexpensive of security measures that would have greatly increased the safety of young underage MySpace users from being contacted by, exploited, and sexually assaulted by adult MySpace members.
- 49. Defendants knew there was a likelihood of serious injury and harm to young underage MySpace users, particularly 14-year-old Julie, and there was more than just a remote possibility of injury. Defendants had actual knowledge of other incidents that occurred in nearly the exact same manner as the incidents complained of herein (sexual assaults of young underage MySpace members by adult MySpace members), and to the exact same class of persons (young underage MySpace users).
- 50. Defendants' actions, along with their omissions to act, demonstrate a conscious indifference and utter disregard for the rights, safety, and welfare of young underage MySpace users, particularly 14-year-old Julie.
- 51. Plaintiffs seek actual and exemplary damages against MySpace and News Corp. for gross negligence.

52. MySpace and News Corp. are jointly and severely liable for these damages.

### THIRD CLAIM FOR RELIEF

- -Defendants Myspace and News Corp. committed fraud-
- 53. Plaintiffs repeat and reallege the allegations contained in paragraphs "1" through "52" above as if set forth at length herein.
- 54. Defendants made express and implied representations to Plaintiffs, both directly and indirectly. Defendants posted express representations on MySpace and made numerous material and false express and implied representations to the public that MySpace was safe for young underage MySpace users. These material and false representations were untrue, deceptive and misleading.
- 55. Defendants made these material and false representations knowing they were false and/or made them recklessly without knowledge of their truth and as a positive assertion of fact.
- 56. Defendants made these material and false representations with the intent that Plaintiffs rely upon them and with the expectation that Plaintiffs would act in reliance on them.
- 57. Defendants knew of MySpace's material and false representations, Plaintiffs relied upon them, and Plaintiffs' reliance was justifiable.
- 58. Defendants' material and false representations were the direct and proximate cause of Plaintiffs' injuries.
- 59. Plaintiffs seek actual, direct, consequential and exemplary damages against MySpace and News Corp. for fraud.

60. MySpace and News Corp. are jointly and severely liable for these damages.

### FOURTH CLAIM FOR RELIEF

# -Defendants Myspace and News Corp. made negligent misrepresentations -

- 61. Plaintiffs repeat and reallege the allegations contained in paragraphs "1" through "60" above as if set forth at length herein.
- 62. Defendants made express and implied representations to Plaintiffs in the course of MySpace's business and/or during transactions in which Defendants had an interest. Defendants knew or should have known that Plaintiffs were members of the class of persons that would receive their false and material representations. These false and material representations included misstatements of material facts and were made in regard to the security and safety of MySpace for young underage MySpace users.
- 63. Defendants supplied this false information for the guidance of others and Plaintiffs in their business.
- 64. Defendants did not exercise reasonable care or competence in obtaining and/or communicating information regarding the safety and security of MySpace for young underage MySpace users.
- 65. Plaintiffs justifiably relied on Defendants' negligent misrepresentations and were thereby injured. Defendants' negligent misrepresentations were there proximate cause of Plaintiffs' injuries.
- 66. Plaintiffs seek actual and exemplary damages against MySpace and News Corp. for negligent misrepresentations.

67. MySpace and News Corp. are jointly and severely liable for these damages.

#### PRAYER FOR RELIEF

WHEREFORE, Plaintiffs hereby request that the Court enter judgment in their favor and against Defendants Myspace and News Corp. as follows:

- A. That Defendants Myspace and News Corp. be held jointly and severally liable to Plaintiffs for all economic and non-economic damages assessed against them;
- B. Jane Doe, individually, recover all medical and psychological counseling expenses that have been incurred and may be incurred in the future, on behalf of Julie Doe, while Julie Doe is a minor;
- C. Jane Doe, as next of friend of Julie Doe, her minor daughter, recover compensatory and exemplary damages for Julie Doe's pecuniary loss, mental anguish, psychological trauma, pain and suffering, and emotional distress, in the past and the future, as well as future medical and psychological counseling expenses;
- D. Pre- and post-judgment interest on all amounts awarded at the maximum interest rate provided by law;
- E. Reasonable and necessary attorneys' fees, expenses and costs of suit as provided by law; and
- F. On all claims for relief, punitive damages be assessed and such other further and other relief as the Court deems just and proper.

### JURY TRIAL DEMANDED

Plaintiffs hereby demand a trial by jury.

Dated:

September 25, 2006

Houston, Texas

Nickolas G. Spiliotis
Kurt B. Arnold
Jason A. Itkin
ARNOLD & ITKIN LLP
700 Louisiana Street, Suite 4700

Houston, Texas 77002 (713) 222-3800

Adam J. Loewy
Carl R. Barry
BARRY & LOEWY LLP
One Congress Plaza
111 Congress Avenue, Suite 400
Austin, Texas 78701
(800) 892-5044

ATTORNEYS FOR PLAINTIFFS

### **ATTORNEY'S VERIFICATION**

NICKOLAS G. SPILIOTIS, an attorney duly admitted to practice law in the Courts of the State of New York, affirms under the penalties of perjury as follows:

I am the attorney for the plaintiff in the above captioned action. I have read the foregoing Verified Complaint and know the contents thereof which are true to my knowledge, except as to the matters therein stated to be alleged on information and belief and that as to those matters, I believe them to be true.

The reason this verification is made by me and not by plaintiff is that plaintiff was not present in the County wherein I maintain my offices when the Complaint was prepared.

The source of this information and the grounds of my belief communications with my client and others, papers, reports, and investigation contained in the file.

Dated:

Houston, Texas

September 25, 2006